



Ambulance Claims Oversight

Community First Health Plans

Results in Brief

Why OIG Conducted This Inspection

In 2021, the OIG Audit and Inspections Division audited ground emergency ambulance services and found an ambulance provider submitted non-medically necessary claims with the required modifier and the claims were paid by some MCOs as medically necessary.

Summary of Review

The inspection objective was to determine whether Community First Health Plans has processes and controls to ensure non-medically necessary ambulance claims are denied in compliance with applicable requirements.

The inspection scope covered the period from September 1, 2021, through August 31, 2022.

Management Response

OIG Inspections presented preliminary inspection results, issues, and recommendations to Community First in a draft report dated August 21, 2023. Community First agreed with the inspection recommendations and indicated it had already taken corrective actions. Community First's complete management response is included in the report.

For more information, contact:

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Key Results

The Texas Health and Human Services (HHS) Office of Inspector General Audit and Inspections Division (OIG Inspections) conducted an inspection of Medicaid ambulance services claims paid by Community First Health Plans (Community First), a Texas Medicaid managed care organization (MCO) contracted to provide Medicaid and Children's Health Insurance Program (CHIP) services to members.

The inspection reviewed Community First's non-medically necessary ambulance claims, indicated by a GY modifier during the inspection scope. Ambulance transport claims with a GY modifier are manually reviewed by claims processing staff. Claims staff have a job aid for reference, but it does not address how to process non-medically necessary ambulance transport claims. Community First's claims processing staff did not consistently deny the claims, as required. Consequently, Community First paid Texas Medicaid funds for 33 non-medically necessary ambulance transport claims.

Recommendations

Community First should:

- Retrospectively review and recover all identified Texas Medicaid payments made to providers for claims with GY modifier.
- Revise the job aid and train the staff to correctly process ambulance transport non-medically necessary claims.